

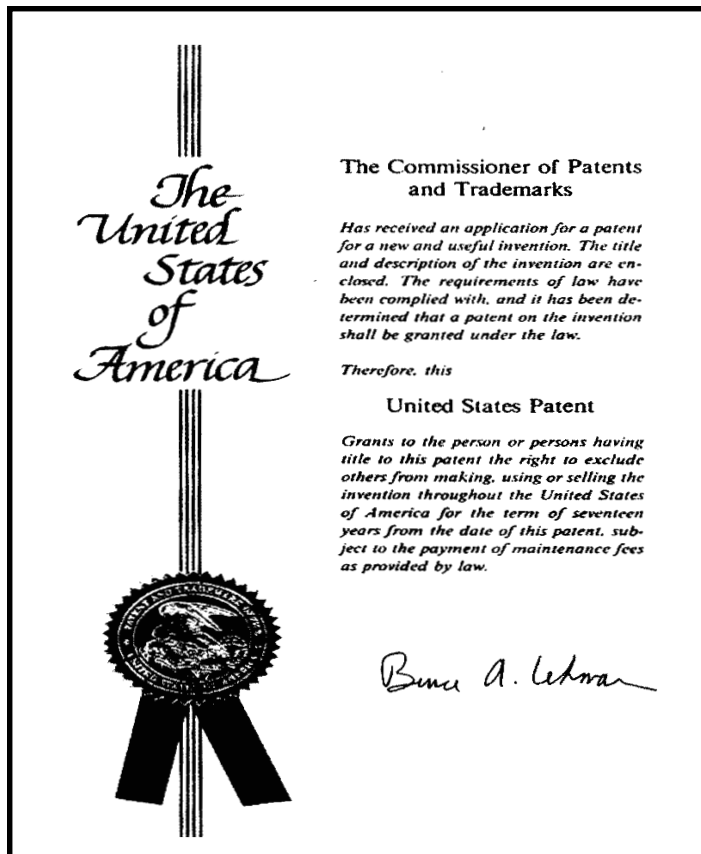
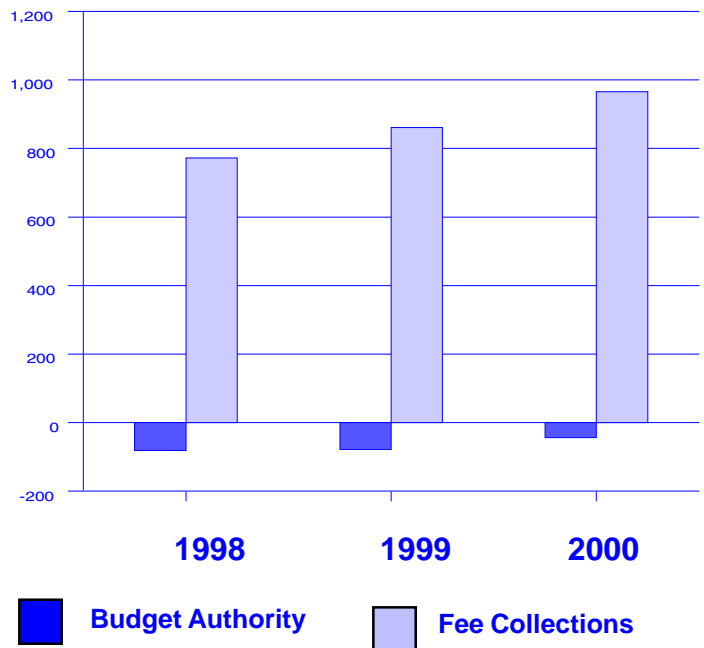
# PATENT AND TRADEMARK OFFICE

The Patent and Trademark Office (PTO) is charged with administering the patent and trademark laws of the United States. PTO examines patent applications, grants patent protection to qualified inventions and disseminates technological information disclosed in patents. PTO also examines trademark applications and provides Federal registration to owners of qualified trademarks.

The PTO will spend \$922 million in FY 2000 (which includes \$20 million to be transferred to the Office of Personnel Management for PTO post-retirement benefits) to keep pace with rapid workload growth and to make significant investments in process automation. Offsetting collections will total \$966 million in FY 2000 from fees charged pursuant to 15 U.S.C. 1113 and 35 U.S.C. 41 and 376. Fee income over and above the PTO spending level will be available in FY 2001 to offset processing costs of applications received in FY 2000, as well as anticipated space consolidation costs.

## PTO Funding

(Dollars in Thousands)



PTO supports all three Department Strategic Themes. PTO's goal under Economic Infrastructure is the protection of intellectual property rights. Under Science/Technology/Information, PTO's goal is promoting awareness of patent and trademark information. Under Resources/Assets Management / Stewardship, PTO's goal is granting exclusive rights for intellectual property. For FY 2000, PTO will focus on the following performance measures:

## Measures and Targets Summary

<u>Goal</u>	<u>Measure</u>	<u>Target</u>
Help protect, promote and expand intellectual property rights systems throughout the United States and abroad	Number of technical assistance activities completed	80
Grant exclusive rights, for limited times, to inventors for their discoveries	Average cycle time of original inventions processed (months)	10.2
	Percent of customers satisfied	70%
Enhance trademark protection	Pendency time to registration (months)	3.0 to first action 13.8 to disposal/ registration
	Percent of customers satisfied	80
Promote awareness of, and provide effective access to, patent and trademark information	Percent of key products and services meeting schedules or cycle time of standards	80

## SUMMARY OF APPROPRIATIONS

(Dollars in Thousands)

### Funding Levels

			2000	Increase
	<u>1998</u>	<u>1999</u>	<u>Estimate</u>	<u>(Decrease)</u>
From New Offsetting Collections	\$691,000	\$674,026	\$805,976	\$131,950
From Prior Year Offsetting Collections	. . .	108,316	115,774	7,458
Fee Collections	(772,316)	(860,800)	(965,741)	(104,941)
1998 Fee Collections Not Available Until FY 1999	108,316			
1999 Fee Collections Not Available Until FY 2000		115,774		(115,774)
2000 Fee Collections Not Available Until FY 2001			159,765	159,765
<b>TOTAL APPROPRIATION</b>	<b>27,000</b>	<b>37,316</b>	<b>115,774</b>	<b>78,458</b>
Unavailable Offsetting Collections due to limitation in current year and becoming available in following year	(108,316)	(115,774)	(159,765)	(43,991)
<b>TOTAL BUDGET AUTHORITY</b>	<b>(81,316)</b>	<b>(78,458)</b>	<b>(43,991)</b>	<b>34,467</b>
<b>SURCHARGE FUND DEPOSITS</b>	119,000	. . .	. . .	. . .
<b>PERMANENT POSITIONS</b>	<b>5,889</b>	<b>7,061</b>	<b>7,289</b>	<b>228</b>

# HIGHLIGHTS OF BUDGET CHANGES

## APPROPRIATION: Operations and Administration

### *Summary of Requirements*

	<u>Detailed</u>		<u>Summary</u>	
	<u>Perm Pos</u>	<u>Amount</u>	<u>Perm Pos</u>	<u>Amount</u>
<b>1999 Enacted</b>				
<b>Fee collections in 1999</b>			7,061	\$795,605
<b>Funds Currently Available, 1999</b>			7,061	795,605
<b>Adjustments to Base</b>				
<b><u>Other Changes</u></b>				
1999 Pay raise		\$4,170		
2000 Pay raise		13,139		
Payment to the Working Capital Fund		0		
Full year cost in FY 2000 of positions financed in FY 1999		13,291		
Within-grade step increases		4,447		
Civil Service Retirement and Disability Fund		0		
Civil Service Retirement System(CSRS)		(656)		
Federal Employees' Retirement System(FERS)		825		
Thrift Savings Plan		154		
Federal Insurance Contributions Act (FICA) -OASDI		500		
Health insurance		1,257		
Employees' Compensation Fund		(112)		
Rent payments to GSA		1,446		
Postage		107		
FTS		160		
Printing and reproduction		1,064		
Other services:				
Working Capital Fund		4,785		
Commerce Administrative Management System (CAMS)		0		
NARA Storage and Maintenance		513		
General Pricing Level Adjustment		2,504		
Subtotal, other cost changes			0	47,594
Less Amount Absorbed			0	(26,098)
<b>TOTAL, ADJUSTMENTS TO BASE</b>			0	21,496
<b>2000 Base</b>			7,061	817,101
Program Changes			228	104,949
<b>TOTAL REQUIREMENTS</b>			7,289	922,050
Total Offsetting Fee Collections			0	(965,741)
Portion Not Available for Obligation (Limitation on Obligation)				159,765
Less Federal Reimbursements				(300)
<b>2000 APPROPRIATION</b>			7,289	115,774

## Comparison by Activity

	1999 Currently Avail		2000 Base		2000 Estimate		Increase / Decrease	
	Perm Pos	Amount	Perm Pos	Amount	Perm Pos	Amount	Perm Pos	Amount
<b>DIRECT OBLIGATIONS</b>								
Patents	5,697	\$634,497	5,660	\$645,193	5,850	\$713,451	190	\$68,258
Trademarks	998	99,416	1,033	99,013	1,065	109,312	32	10,299
Information Dissemination	265	53,510	267	52,541	263	57,336	(4)	4,795
Policy	101	19,482	101	20,354	111	21,910	10	1,556
Indirect Cost Transfer to OPM	...	...	...	...	...	20,041	0	20,041
<b>TOTAL OBLIGATIONS</b>	7,061	806,905	7,061	817,101	7,289	922,050	228	104,949
<b>FINANCING</b>								
Fees		(860,800)				(965,741)		
Prior year Recoveries/Federal Reimb.		(11,300)				(300)		
Unobligated Balance, Start of Year		(13,263)				159,765		
Offsetting Collections Not Available for Obligation		115,774				...		
<b>APPROPRIATION</b>		37,316				115,774		
Unavailable Offsetting Collections due to limitation in current year and becoming available in following year		(115,774)				(159,765)		
<b>BUDGET AUTHORITY</b>		(78,458)				(43,991)		

## Highlights of Program Changes

	<u>Base</u>		<u>Increase / Decrease</u>	
	Permanent Positions	Amount	Permanent Positions	Amount
<u>Patent Business</u>	5,660	\$645,193	+190	+\$68,258

An increase (+190 positions; +\$68,258) is requested for Patent Business activities. This program level will provide resources needed to address the projected growth in workloads and deliver our *Year 2000 Commitments* by increasing our complement of high-performing examiners, expanding existing electronic workplace systems, and enhancing the quality of the examination process.

<u>Trademark Business</u>	1,033	99,013	+32	+10,299
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An increase (+32 positions; +\$10,299) is requested for Trademark Business activities. This program level will provide resources needed to address the projected growth in workloads and deliver our *Year 2000 Commitments* by hiring additional trademark examining attorneys, implementing an alternative compensation system, continuing development of trademark automated systems, and processing additional trademark opposition and appeal cases.

<u>Information Dissemination Business</u>	267	52,541	(4)	+\$4,795
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Program changes (-4 positions; +\$4,795) are requested for Information Dissemination Business activities. This program level will provide resources needed to deliver our *Year 2000 Commitments* by processing increased workloads and by providing additional patent and trademark data on the PTO Web Site.

<u>Policy</u>	101	20,354	+10	+1,556
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An increase (+10 positions; +\$1,556) is requested for Policy activities. This program level will provide resources needed to enhance our international and legislative activities such as the Agreement on Trade-Related Aspects of Intellectual Property (TRIPS) and the Secretary's Africa initiative.

<u>Offsetting Collections</u>	817,101	+104,949
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Fiscal year 2000 projected fee income totals \$966 million.